

1 AN ACT relating to digital asset wallets.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS 369.130 TO 369.139 IS CREATED
4 TO READ AS FOLLOWS:

5 *(1) As used in this section, "wallet provider" or "provider" means a person that*
6 *offers or provides a wallet.*

7 *(2) A wallet provider:*

8 *(a) Shall:*

9 *1. Provide live customer service via a toll-free telephone number during*
10 *operating hours, which shall not be less than the hours between 8:00*
11 *a.m. and 10:00 p.m. local time within the Commonwealth; and*

12 *2. Provide a mechanism for, and assist any person who owns a wallet*
13 *that was provided by the provider with, resetting any password, pin,*
14 *seed phrase, or other similar information that is necessary to access*
15 *the contents the self-hosted wallet; and*

16 *(b) May require any person requesting assistance under paragraph (a)2. of this*
17 *subsection to verify the person's identity prior to providing the assistance by*
18 *means other than providing the password, pin, seed phrase, or other*
19 *information.*

20 *(3) (a) A violation of this section shall be deemed to be an unfair, false, misleading,*
21 *or deceptive act or practice in the conduct of trade or commerce in violation*
22 *of KRS 367.170.*

23 *(b) All of the remedies, powers, and duties provided to the Attorney General or*
24 *any other person under KRS 367.110 to 367.300, and the penalties provided*
25 *in KRS 367.990, pertaining to acts and practices declared unlawful by KRS*
26 *367.170, shall apply with equal force and effect to a violation of this section.*

27 *(4) (a) The remedies and penalties prescribed in this section shall be cumulative.*

1 (b) This section shall not be construed to limit or restrict the powers, duties,
2 remedies, or penalties available to the Attorney General, the
3 Commonwealth, or any other person under any other statutory or common
4 law.

5 (5) The Attorney General may promulgate administrative regulations in accordance
6 with KRS Chapter 13A necessary to effectuate, or as an aid to the effectuation of,
7 the proper enforcement of this section.